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ARIZONA CORPORATION COMMISSION

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October 21, 2004

Chairman Marc Spitzer
Commissioner William Mundell
Commissioner Jeff Hatch-Miller
Commissioner Mike Gleason

Re: Generic Investigation (Competition in AZ telecom markets)
Docket No. T-000001-04-0749

Dear Colleagues:

I agree with Chairman Spitzer and Commissioner Mundell that this is an important issue and one that must be addressed. As was mentioned in Commissioner Mundell's letter, two major CLEC's have left the retail market in the last few months. This is a troubling trend and I commend Commissioner Mundell for the foresight to investigate the matter. As we all know, Qwest owns 85% of the lines in Arizona, which is not indicative of a competitive market.

Our Commission has been a pioneer in terms of fostering competition. Arizona is currently the only state that is holding proceedings on unbundling requirements of ILECs. This docket solidifies our place as the leader in this area.

I look forward to the dialogue that this topic will elicit and I trust that the citizens of Arizona will be better off for our involvement.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kristin K. Mayes".

Kristin K. Mayes
Commissioner

cc: Brian McNeil
Chris Kempley
Lyn Farmer
Ernest Johnson